

ABSTRACT OF THE DISCLOSURE

An image processing system which compresses an image including both a binary image and a continuous tone image by a sub-band transform method with a high compression rate. A 2x2 pixel matrix block is extracted from image data. A transform factor having a plurality of frequency components is obtained from the 2x2 pixel matrix block data. The transform factor is quantized by a fixed-length quantizing method by deleting a predetermined number of lower order bits of each of the frequency components.

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